GOVERNMENT OF INDIA
PERSONNEL,PUBLIC GRIEVANCES AND PENSIONS
LOK SABHA

UNSTARRED QUESTION NO:120
ANSWERED ON:18.02.2003
CORRUPTION IN KENDRIYA BHANDAR
RAMJI MANJHI

Will the Minister of PERSONNEL,PUBLIC GRIEVANCES AND PENSIONS be pleased to state:

(a) whether DOP&AR issued an OM on 14.7.1981 making it incumbent on all the Government offices and Corporation to purchase stationery and other items from the Kendriya Bhandar only on the plea that prices of them are lower there than the market;

(b) whether the said OM avoided competition in prices;

(c) whether Kendriya Bhandar has been selling LG air-conditioners, steel furniture and almirahas, Modi Xerox photocopier papers at higher than the market rates, selling under-sized and under-weight handloom towels, dusters, floor dusters, brooms etc. thereby belying the plea taken in the issue of DOP&AR OM;

(d) whether the then Chief Vigilance Officer had conducted an investigation into the sale of Modi Xerox paper at higher than the market rates and established the fact of vested interest of the then purchase and sales executive;

(e) if so, the details thereof;

(f) the reasons for not taking any action against that P&SE and brushing the issue aside saying that it did not constitute `malafides` on the part of the P&SE; and

(g) the action proposed to be taken against that P&SE now?

Answer

MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS AND MINISTER OF STATE IN THE MINISTRY OF PERSO PUBLIC GRIEVANCES AND PENSIONS. (SHRI HARIN PATHAK)

(a)&(b): Department of Personnel & Training issued the O.M dated 14.7.1981, in consultation with the concerned Ministries/Departments to make purchase of stationery and other items from Consumer Cooperative societies viz. Kendriya Bhandar, Super Bazar and NCCF with a view to give boost to the cooperative movement as these organizations were receiving substantial assistance from the Government and were subject to statutory supervision and control by the Registrar of Cooperative Societies. It was also felt that these cooperative societies were the most suitable agencies for supply of consumer goods at fair and reasonable prices. The Government Departments can purchase their requirement of stationery and other items from any one of these consumer societies in relaxation of the procedure laid down in GFR relating to purchases.

(c),(d)&(e): Keeping in view the spirit of DOP&AROM dated 14.7.1981, Kendriya Bhandar has been obtaining a written undertaking from the suppliers that the rates quoted by them are lowest and constantly endeavours to develop suitable in-house arrangement for dealing with such complaints. Presently, Kendriya Bhandar has a full time Chief Vigilance Officer. Action is taken after carrying out investigation wherever necessary. Dealings with the supplier of LG Air conditioners have been suspended for violating the undertaking. Action has also been taken against M/s Xerox Modi Corporation for violating the undertaking. However, on examination Kendriya Bhandar did not find any malafide on the part of Kendriya Bhandar`s officials. As regards selling steel furniture and almirahas at higher rates and under-sized and under-weight handloom towels, dusters, floor dusters and brooms etc., no such allegation has been established so far.

(f) & (g): Does not arise in view of reply to (c),(d) and (e) above.